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7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 SECURITIES AND EXCHANGE
11 COMMISSION,

12 Plaintiff,

13 v.

14 PATH AMERICA, LLC, et al.,

15 Defendants, and

16 POTALA SHORELINE, LLC, et al.,

17 Relief Defendants.

CASE NO. C15-1350JLR

ELEVENTH ORDER
REGARDING FEE
APPLICATIONS

18 Before the court are five quarterly fee applications: **(1)** the eleventh interim fee
19 application of Receiver Michael A. Grassmueck (“the Receiver”) for \$4,084.00 in fees
20 and \$369.65 in costs (Dkt. # 633); **(2)** the eleventh interim fee application of the
21 Receiver’s general counsel, Allen Matkins Leck Gamble Mallory & Natsis, LLP (“Allen
22 Matkins”), for \$101,515.28 in fees and \$5,132.28 in costs (Dkt. # 634); **(3)** the eleventh

1 interim fee application of Financial Forensics, the Receiver's forensic accountant, for
2 \$8,127.00 in fees (Dkt. # 635); (4) the eighth interim fee application of Peterson Sullivan
3 LLP, tax accountants for the Receiver, for \$8,008.75 in fees (Dkt. # 636); and (5) the
4 tenth quarterly fee application of Receiver's local counsel, Karr, Tuttle Campbell, P.S.
5 ("Karr Tuttle"), for \$2,080.50 in fees and \$120.50 in costs (Dkt. # 637). As described
6 below, the court GRANTS the fee applications of the Receiver, Allen Matkins, Financial
7 Forensics, Peterson Sullivan, and Karr Tuttle (Dkt. ## 633-37).

8 Counsel for the Receiver filed all of the foregoing motions on August 16, 2018,
9 and properly noted them for the court's consideration on August 31, 2018. (*See id.*) Any
10 opposition to the motions was due no later than Monday, August 27, 2018. *See* Local
11 Rules W.D. Wash. LCR 7(d)(3) ("Any opposition papers shall be filed and served no
12 later than the Monday before the noting date."). No party filed an opposition to any of
13 the motions. (*See generally* Dkt.)

14 The court finds that (1) the fees and costs requested in each of the fee applications
15 listed above are reasonable and necessary, (2) the notice of the fee applications was
16 appropriate, (3) the fee applications are made in accordance with the Order Appointing
17 Receiver (*see* Order Appointing Receiver ("OAR") (Dkt. # 88) ¶¶ 55-59), and (4) the
18 services provided were of substantial benefit to the Receivership Estate. Each of the
19 foregoing applicants seeks a distribution of only 80% of the approved fees and costs at
20 this time. (*See id.* ¶ 58 ("Quarterly Fee Applications may be subject to a holdback in the
21 amount of 20% of the amount of fees and expenses for each application filed with the

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Court.”); *see also* Dkt. # 633 at 2; Dkt. # 634 at 2; Dkt. # 635 at 4; Dkt. # 636 at 4; Dkt. # 637 at 2.)

Accordingly, the court GRANTS the fee applications (Dkt. ## 633-37) and APPROVES on an interim basis the following application amounts for the period of April 1, 2018, through June 30, 2018:

Applicant:	Fees:	Costs:	Total Allowed:
Receiver Michael A. Grassmueck	\$4,084.00	\$369.65	\$4,453.65
Allen Matkins	\$101,515.05	\$5,132.28	\$106,647.33
Financial Forensics	\$8,127.00	\$00.00	\$8,127.00
Peterson Sullivan	\$8,008.75	\$00.00	\$8,008.75
Karr Tuttle ¹	\$2,080.50	\$120.50	\$2,201.00

Finally, the court AUTHORIZES the Receiver to disburse the following percentages of the foregoing approved fees and costs at this time:

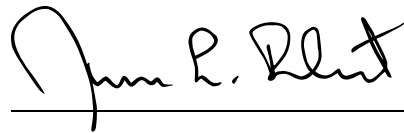
- (1) The court AUTHORIZES the Receiver to disburse \$3,562.92 to the Receiver, which is 80% of the approved fees and costs;
- (2) The court AUTHORIZES the Receiver to disburse \$85,317.86 to Allen Matkins, which is 80% of the approved fees and costs;
- (3) The court AUTHORIZES the Receiver to disburse \$6,501.60 to Financial Forensics, which is 80% of the approved fees and costs;

¹ Karr Tuttle applies for fees and costs for the period January 1, 2018, through June 30, 2018. (KT Mot. (Dkt. # 637) at 3.)

1 (4) The court AUTHORIZES the Receiver to disburse \$6,407.00 to Peterson
2 Sullivan, which is 80% of the approved fees and costs; and

3 (5) The court AUTHORIZES the Receiver to disburse \$1,760.80 to Karr Tuttle,
4 which is 80% of the approved fees and costs.

5 Dated this 29th day of August, 2018.

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8 JAMES L. ROBART
9 United States District Judge
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